



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

Addendum to Reclamation Contract Addendum Number 1

Harborlite Corporation, Black Springs Mine, S/027/089

January 5, 2006

Harborlite Corporation
Marc E. Fleischman, Vice President
P.O. Box 287
La Grande, Oregon 97850

As discussed during May 2005, the surety bond company used to secure reclamation obligation, Lexon Insurance Company, has a rating of B+ on the A.M. Best's Key Rating Guide. Currently, only large mine rules require a rating of A- or better on the A.M. Best's Rating Guide. Therefore, Lexon Insurance Company received Division approval. It was agreed, if small mine rules are adopted that require an A- or better rating, the Surety company may be changed to one that meets the criteria of the new small mine rules. In addition, further revisions are required as identified below.

This letter serves as an acknowledgment and approval of the following:

- **Disturbed Area: Five (5) acres (bonded). Currently disturbed acreage is 3.92 acres**
- **Escalation year 2008**
- **Operator's Registered Agent: Prentice-Hall Corp. Sys., Gateway Tower East, Ste. 900, SLC, Utah 84133**
- **The Operator's Officers are identified as follows: Marc E. Fleischman, Vice President and Secretary; John Oskam, President and Director; Treasurer, Rick Heer**
- **A Second Map titled, "Harborlite Corp., Black Springs Drilling Project ML-41981; dated August 15, 2005 and received by the Division August 24, 2005**

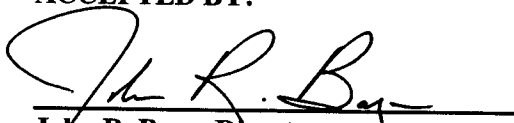
Nothing herein contained shall vary, alter, or extend any provision or condition of the Reclamation Contract.

To the extent any conflict exists between this letter addendum and the Reclamation Contract, these terms shall control.


Please acknowledge with your signature, make a copy and return this letter with original signature to the Division.

The below signed, acknowledge and accept these revisions and incorporate them into the May 23, 2005 Reclamation Contract.

ACCEPTED BY:


John R. Baza, Director
Division of Oil, Gas and Mining

1/11/06
Date


~~Marc E. Fleischman, Vice President~~
Harborlite Corporation

2-21-06
Date

*Inna True, Senior Coordinator
' Mine Planning*